

Mine file 4B
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March 13, 1991

RECEIVED

MAR 14 1991

Mr. Lowell Braxton
Division of Oil, Gas and Mining
355 West North Temple
Salt Lake City, Utah 84180-1203

DIVISION OF
OIL GAS & MINING

Re: Reclamation Plan and Surety for the Aragonite Mill and
Mine Sites, Docket No. 90-051, Cause No. M/045/031, Tooele
County, Utah

Dear Mr. Braxton:

This letter sets forth in summary form the points of agreement reached at our meeting on March 11, 1991. As mentioned below, a more complete formal agreement will be prepared later. Where a blank appears, my memory and notes indicate that we did not reach a specific date.

Millsite

1. Thomas American Stone ("American Stone") will immediately cease all "mining activities" on the mill area outside of a five acre tract surrounding the mill and buildings. All new ore will be stored within this five acre area and any new mill waste generated will be placed within this area, unless such mill waste is used for reclamation efforts elsewhere in accordance with the reclamation plan.

2. The only exception to paragraph #1 will be that American Stone will remove the ore plies from the area outside the five acre tract as quickly as they can be processed through the mill or otherwise either removed from the site or moved into the five acre tract. The ore piles which are outside of the five acre tract will be removed completely no later than five years from the date of the Board approval of this Agreement.

3. American Stone will immediately commence reclamation on all land outside of the five acre tract (other than the two ore piles described in paragraph #2.) The details of this reclamation plan will be worked out with the Division, but generally, reclamation will entail (a) clean up of all garbage, equipment or other waste (b) leveling of disturbed areas and (c) re-seeding. It is anticipated that this reclamation (other than

the two ore piles) will be completed within one year. American Stone will also reclaim the areas covered by the two ore piles as and when they are removed. It is anticipated that a complete reclamation plan for the area outside of the five acres will be developed by _____, 1991.

4. In connection with the reclamation work, American Stone agrees that it will not bury any solid garbage or waste (not including fines from the milling process which will continue to be dumped) on the mill site area. All exposed garbage and trash will be removed from the site and properly disposed. This general clean-up also applies to the area within the five acre tract. American Stone also agrees that it will dig up the waste which was buried in February 1991, and dispose of it in a fashion approved by the Division. American Stone will not otherwise have to dig up the existing waste dump, but will "rip" the surface to a depth of three feet when it is reclaimed and dispose of any solid trash exposed by this "ripping." Again, details of this clean-up will be set forth in a detailed reclamation plan as described in paragraph 3 above.

5. American Stone understands and agrees that the area within the five acre tract will be reclaimed at the end of its operations, in accordance with the reclamation standards set by the Division for small mining operations.

Mine Site

6. American Stone will immediately cease all mining operations at the mine site outside of a five acre tract.

7. American Stone will immediately (no later than April 15, 1991) install warning signs adjacent to the high walls and at such other locations as the Division may direct. American Stone will also install such other safety devices as the Division may direct, including covers for exposed shafts, berms for high walls and a cable along the county road next to the pit.

8. American Stone will immediately begin reclamation operations on the 3.4 acre area outside of the five acre mining tract. The details of this will be worked out with the Division, but generally, reclamation will include leveling of the "north pit" area and reseeding. It is not the intention of this agreement that American Stone will reclaim the entire areas affected by historical mining in the vicinity, but will reclaim the areas it has disturbed in the last few years of operations. The entire area to be reclaimed will be specifically identified in the spring when on-site conditions improve. A complete

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reclamation plan will be prepared by _____, 1991.

9. American Stone will operate the mine as a small mine operation under five acres in size and will reclaim the area when mining operations are completed.

Surety for Mine and Milling Area Reclamation.

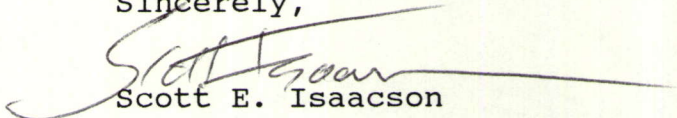
10. American Stone will post at the time of the March Board hearing a cash bond in the amount of \$6,000 to secure its reclamation work on the areas outside of the two five acre tracts identified above. American Stone will also agree to post an additional \$6,000, six months from the date of the approval of a formal agreement by the Board. This \$12,000 corresponds to a rate of \$1,000 per acre, for the approximately 12 acres of disturbance which have been identified by the Division outside of the two five acre tracts (three acres at the mine and nine acres at the mill site). At such time as reclamation is completed on these acres, this bond will be released in proportion to the area which has been reclaimed. For example, if three acres of area at the mill site are certified as reclaimed nine months after the agreement is approved by the Board, then \$3,000 of the bond would be released to American Stone.

Procedural Matters.

11. American Stone will appear at the March 28th Board Meeting and post its \$6,000 bond at that time. It will request a continuance until the April Meeting at which time a complete and formal agreement will be presented to the Board for approval.

12. American Stone will work with the Division to prepare and submit for proper notice and review such an agreement by April 1, 1991.

Sincerely,


Scott E. Isaacson

cc: Thomas American Stone
Steve Brooks, BLM